

February 16, 2023

Updated, March 17, 2023

To: Co-Chairs and Members, Legislative Committee
Board of Directors
California Cannabis Industry Association

Cc: Lindsay Robinson, Executive Director
California Cannabis Industry Association

From: Amy O’Gorman Jenkins, Legislative Advocate
Mary Creasey, Business Manager

RE: Cannabis Bills of Interest

The Legislature’s deadline for introducing bills was February 17, 2023. A total of 2,632 bills were introduced, representing the highest number in more than a decade and the third highest in the past 17 years.

As of today, we are tracking 32 cannabis bills, as well as a handful of non-cannabis bills that may have an impact on the legal cannabis industry. Please note, this is not a complete list, as a number of bills introduced are in “spot” form, meaning that they are serving as a placeholder until more substantive language is developed. We are also still reviewing all the bills introduced last week to assess potential impacts, so anticipate additional legislative updates, as new bills are identified and amended.

While we were hoping for a quieter legislative session, at least concerning cannabis, it's looking to be another busy year. We welcome and appreciate any questions you may have on these proposals and other policy matters of interest and look forward to hearing from you.

Bills of Interest

CATERING / ON-SITE CONSUMPTION / NON-CANNABIS MERCHANDISE

1. [**AB 374**](#) (**Haney**) **Cannabis: local control: cannabis consumption.** This bill specifies that a local jurisdiction may allow a licensed retailer or microbusiness to conduct business activities on the premises other than the smoking, vaporizing, and ingesting of cannabis or cannabis products, including, but not limited to, selling non-cannabis-infused food, selling nonalcoholic beverages, and allowing, and selling tickets for, live musical or other performances.

Status: Referred to the committee on Business & Professions and Governmental Organization

CCIA Position: Pending

2. [**AB 471**](#) (**Kalra**) **Cannabis: catering.** Sponsored by the United Cannabis Business Association

(UCBA), this bill establishes a cannabis caterer license, authorizing the licensee to serve cannabis or cannabis products to attendees aged 21 years or older, at a private event approved by a local jurisdiction for the purpose of allowing event attendees to consume the cannabis or cannabis products. Under the bill, consumption of alcohol or tobacco is authorized on the premises of that event. The bill prevents a caterer licensee from serving cannabis at any one premise for more than 36 events a year, except as specified.

Status: Referred to the committee on Business & Professions and Governmental Organization

CCIA Position: Pending

3. **[SB 285](#) (Allen) Cannabis: retail preparation, sale, and consumption of non-cannabis food and beverage products.** This bill authorizes a local jurisdiction to allow for the preparation or sale of non-cannabis food or beverage products by a licensed retailer or microbusiness in the area where the consumption of cannabis is allowed.

Status: Will be heard in the Senate Business, Professions, & Economic Development Committee on April 17

CCIA Position: Pending

CEQA

4. **UPDATED - [AB 1719](#) (Bonta).** Co-sponsored by the CCIA, this is a spot bill that state's legislative intent to amend MAUCRSA.

Status: Pending referral - It is assumed that this bill will be double referred to the Assembly committees on Business & Professions and Natural Resources

CCIA Position: Co-sponsor/Support

Comments: While currently a spot bill, this is CCIA's co-sponsored bill with Rural County Representatives of California (RCRC) that will amend CEQA requirements from commercial cannabis applicants and licensees.

5. **[SB 508](#) (Laird) Cannabis.** This is a spot bill that makes non-substantive changes to provisions in the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

Status: Pending referral - It is assumed that this bill will be double referred to the Senate committees on Business, Professions, & Economic Development and Environmental Quality

CCIA Position: Pending

Comments: While currently a spot bill, it is believed that this bill will be amended to modify the State's existing environmental review requirements for cannabis. Last year, the Senator introduced [SB 1148](#) to provide that CEQA does not apply to the issuance of a state license to engage in commercial cannabis activity if the applicant is following all local ordinances that regulate commercial cannabis activity and if the local jurisdiction has filed a notice of exemption or notice of determination following the adoption of a negative declaration or certification of an environmental impact report pursuant to CEQA that is specific to the applicant's commercial cannabis activity or license.

CONSUMER EDUCATION / DISCLOSURE/ LABELING & ADVERTISING

6. **[AB 794](#) (Flora) Cannabis: advertising and marketing restrictions.** This bill requires all cannabis advertisements and marketing to include the licensee's name in addition to the licensee number and prohibits a technology platform or an outdoor advertising company from displaying an advertisement unless the advertisement displays that licensee's name and license number.

Status: Referred to the Assembly Business & Professions Committee

CCIA Position: Watch

7. **UPDATED - [AB 1207](#) (Irwin) Cannabis: labeling and advertising.** This is a spot bill that states an intent to enact legislation relating to cannabis labeling and advertising.

Status: Pending referral - It is assumed that this bill will be referred to the Assembly Business & Professions Committee

CCIA Position: Pending - Likely oppose.

Comments: While amendments to this bill are still pending, the author's office circulated amendments. Assuming they are amended into this bill, amendments do the following:

- Prohibits the manufacture, distribution and sale of any cannabis or cannabis product that is attractive children.
- Defines "Attractive to children" in MAUCRSA to include:
 - Cartoons, toys, or robots.
 - Humans, animals, or any other real or fictional animate creature.
 - Fruits or vegetables.
 - Any likeness to images, characters, or phrases that are popularly used to advertise to children.
 - Any imitation of candy packaging or labeling, other packaging and labeling of cereals, sweets, chips, or other food products typically marketed to children.
 - The terms "candy" or "candies" or variants in spelling such as "kandy" or "kandee."
 - Brand names or close imitations of brand names of candies, cereals, sweets, chips, or other food products typically marketed to children.
 - Any other image or packaging that is easily confused with commercially available foods that do not contain cannabis and are typically marketed to children.
- Prohibits the name of any flavor or descriptor of a flavor on a package or label from being larger than eight-point font if it would imply to a reasonable consumer that the edible cannabis product contains any flavoring (artificial, synthetic, or natural) other than the natural flavor or aroma of cannabis.
- Provides that all edibles be packaged in physically separated individual doses per container. In other words, prohibits the manufacture, distribution, and sale of any products, currently on the market, that score or delineate serving sizes (e.g., chocolate bars).
- Prohibits that all edible cannabis hard candies and gummies from including any natural or artificial coloring.
- Authorizes the DCC to adopt emergency regulations to implement these provisions.

8. [AB 1619](#) (Dixon) **Pharmacists: drug disclosures: cannabis or cannabidiol interactions.** This bill requires a pharmacy or healing arts licensee that dispenses a prescription drug to a patient for outpatient use that has major or moderate interactions with cannabis or cannabidiol products to display on the label or container adequate warning of those interactions.

Status: Referred to the Assembly Business & Professions Committee

CCIA Position: Pending

9. [SB 540](#) (Laird) **Cannabis and cannabis products: health warnings.** Sponsored by California Cannabis Industry Association (CCIA) and supported by California Cannabis Manufacturers Association (CCMA) and Cannabis Distribution Association (CDA), this bill directs the Department of Cannabis Control (DCC) and Department of Public Health (DPH), by January 1, 2025, to develop a brochure that would include, but not be limited to the following:

- Information about the pharmacological effects of cannabis use.
- The potential for THC to exacerbate certain mental health conditions.
- Implications and risks associated with cannabis use by minors; and
- Implications and risks associated with cannabis use by pregnant and breastfeeding persons.

Requires retailers and microbusinesses on/after March 1, 2025, to display the brochure at the point of sale in person or online and make it available upon request to consumers. Requires the DCC to recertify the brochure information beginning January 1, 2030, and every five years thereafter. Amends the labeling requirements to authorize the DCC, on or before July 1, 2025, to reevaluate the existing labeling requirements to assess whether any changes are necessary based on evolving science. Provides that any changes to the existing labeling requirements can be satisfied via an insert or label. Directs the DCC to consult with DPH and California's public universities to evaluate the impacts of cannabis legalization and any additional stakeholders as determined by the DCC. Requires the DCC to recertify the labeling information beginning January 1, 2030, and every five years thereafter. Requires the language permitting the sale of cannabis products manufactured before January 1, 2025, for one year, until January 1, 2026, if any labeling changes are required.

Status: Will be heard in the Senate Business, Professions, & Economic Development Committee on April 10, 2023

Comments: This bill is intended to preemptively respond to prior legislation introduced in 2022 that would have imposed excessive and costly new labeling requirements on cannabis products. [SB 1097](#) (Pan), authored by Senator Richard Pan (D-Sacramento), would have required the inclusion of new unsubstantiated claims on cannabis products and in educational materials. While the bill was ultimately tabled by the California Legislature in August, we anticipate a similar bill to be introduced in 2023.

CONSUMER & PATIENT ACCESS

10. [SB 302](#) (Stern) **Compassionate Access to Medical Cannabis Act or Ryan's Law.** Current law

requires specified types of healthcare facilities to allow a terminally ill patient's use of medicinal cannabis within the health care facility, subject to certain restrictions. This bill extends those provisions to include patients over 65 years of age with a chronic disease, as defined.

Status: Double-referred to the Senate committees on Health and Judiciary

CCIA position: Support

CREDIT LAW

11. [AB 766](#) (Ting) **Cannabis**. Sponsored by CDA and supported by CCIA and CCMA, this bill states legislative intent relating to the sale of cannabis, including establishing maximum terms by which cannabis licensees may sell goods on credit.

Status: Pending referral - It will likely be referred to the Assembly Business & Professions Committee

CCIA position: Support - Co-sponsor pending review and discussion by CCIA's Legislative Committee and Board of Directors

Comments: As detailed in a Green Market report [article](#), this bill is intended to address a growing trend of licensed cannabis businesses offering credit terms to compensate for a lack of normal banking and financing options.

EMPLOYEE DISCRIMINATION / WORKER PROTECTIONS

12. [AB 1424](#) (Jones-Sawyer) **Occupational safety and health: cannabis delivery employee**. This bill prohibits a cannabis delivery employee from being laid off, discharged, or subject to an adverse employment action for refusing to perform work in violation of prescribed safety standards or work that would create a real and apparent hazard to the employee or fellow employees. Creates a cause of action for wages for the time an employee is without work as a result of a violation. Authorizes an employee who believes they have been discharged or otherwise discriminated against in violation to file a complaint with the Labor Commissioner.

Status: Referred to the Assembly Committee on Labor and Employment

CCIA position: Pending

13. [SB 700](#) (Bradford) **Employment discrimination: cannabis use**. This is a spot bill that makes non-substantive changes to existing employment discrimination statutes approved last year with the enactment of [AB 2188](#) (Quirk) that make it unlawful for an employer to discriminate against a person in hiring or termination because of the person's use of cannabis off the job and away from the workplace.

Status: Pending referral

CCIA position: Pending

ENFORCEMENT

14. **[AB 993](#) (B. Rubio) Cannabis Task Force.** This bill expands the state/local task force on regulation and enforcement of commercial cannabis activity, established in [AB 195](#) (Assembly Budget Committee) to include representatives from the Civil Rights Department and the Department of Industrial Relations.

Status: Referred to the Assembly Business & Professions Committee

CCIA position: Pending

Comments: Among its provisions, AB 195 established a task force on state and local entity regulation of commercial cannabis activity to promote communication between state and local entities engaged in the regulation of commercial cannabis activity and facilitate cooperation to enforce applicable state and local laws. The bill requires the task force to meet beginning July 1, 2023, and twice each fiscal year thereafter, until January 1, 2025. The bill further requires the task force members to include representatives from the DCC, California Department of Tax and Fee Administration (CDTFA), State Water Resources Control Board, Department of Fish & Wildlife (DFW), Department of Highway Patrol, Labor & Workforce Development Agency, Department of Justice, and a designee from each local jurisdiction that opts to participate.

15. **[AB 1126](#) (Lackey) Cannabis: citation and fine.** Sponsored by Kiva Brands, Inc. and CCMA, this bill extends the authority of the DCC to issue administrative fines and penalties not to exceed \$5,000 per violation by a licensee and \$30,000 per violation to unlicensed persons that use the cannabis universal symbol.

Status: Referred to the Assembly Business & Professions Committee

CCIA position: Support

16. **[AB 1171](#) (B. Rubio) Unlicensed cannabis businesses and operators.** This is a spot bill that state's legislative intent to reduce the number of unlicensed cannabis businesses and operators and to provide local and state agencies with additional tools to assist in the enforcement of existing cannabis statutes and regulations.

Status: Pending referral

CCIA position: Pending

17. **[AB 1448](#) (Wallis) Cannabis: enforcement of local laws.** This bill authorizes a local jurisdiction, by ordinance, to make a violation of a local law relating to unlicensed cannabis activity subject to an administrative fine or penalty. Provides that the ordinance set forth the administrative procedures that govern the local jurisdiction's imposition, enforcement, collection, and administrative review of those administrative fines or penalties. Authorizes those administrative procedures to provide for a reasonable period for a person responsible for a continuing violation to correct or otherwise remedy the violation before the imposition of administrative fines or penalties, including the establishment of administrative and appeal process.

Status: Double referred to the Assembly committees on Business & Professions and Judiciary

CCIA position: Pending

18. **AB 1616 (Lackey) California Cannabis Tax Fund: Board of State and Community Corrections grants.** Sponsored by the CCIA, this bill amends the Board of State and Community Corrections Prop 64 Public Health and Safety Grant Program to expand the eligibility criteria so that more local jurisdictions can access funding. The bill further directs the BSCC to prioritize the allocation of grants to programs intended to specifically address unlicensed retail and cultivation activities.

Status: To be heard in the Assembly Business & Professions Committee on April 11, 2023

CCIA position: Pending

ENVIRONMENTAL PROTECTION / WATER

19. **AB 1272 (Wood) State Water Resources Control Board: drought planning.** The bill requires the State Water Resources Control Board to establish a program, in consultation with the DFW, to adopt principles and guidelines for the diversion and use of water in coastal watersheds during times of water shortage for drought preparedness and climate resiliency. Requires that the principles and guidelines provide for the development of watershed-level plans to support public trust uses, public health and safety, and the human right to water in times of water shortage, among other things. Requires the state board, prior to adopting those principles and guidelines, to provide for a public comment process and hearing.

Further authorizes the state board to issue a cease-and-desist order when diversion or use of water violates or threatens to violate an applicable limitation or requirement adopted by the state board for the diversion and use of water in specified coastal watersheds during times of water shortage. Imposes penalties for violations in an amount not to exceed \$500 for each day that the violation occurs.

Applies to any diversion or use of water for unlicensed cannabis cultivation, or if the diversion is out of compliance with an applicable limitation or requirement established by the water board or the DFW under Section 13149, or if the person is out of compliance with requirements set forth in Section 26060.1 of the Business and Professions Code pertaining to license cultivation sites.

Status: Referred to Assembly Water, Parks & Wildlife Committee

CCIA position: Pending

20. **AB 1567 (Garcia) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2023.** This bill enacts the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2023, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15 billion to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs. Among the funding allocations, the language sets aside \$50 million, which upon appropriation by the Legislature, would support programs administered by the DFW to improve the climate resilience of fish and wildlife habitat, including projects for the cleanup, remediation, and restoration of environmental damage in watersheds

affected by illegal cannabis cultivation and related activities.

Status: Double-referred to the Assembly committees on Water, Parks & Wildlife and Natural Resources

CCIA position: Pending

21. **SB 753 (Caballero) Cannabis: water resources.** Extends existing felony provisions when it is determined that a person who plants, cultivates, harvests, dries, or processes more than 6 living cannabis plants causes substantial environmental harm to surface or groundwater, a violation of pesticide provisions, taking or using water from a conveyance or storage facility without permission, and extraction or use of groundwater from an unpermitted well or from a permitted well in excess of a restriction.

Status: Double-referred to the Senate committees on Public Safety and Natural Resources & Water

CCIA position: Pending

22. **SB 756 (Laird) Water: unlicensed cannabis cultivation site: procedure.** This bill authorizes the State Water Resources Control Board, when conducting an investigation of an unlicensed cultivation site or proceeding pertaining to the diversion of water, to inspect the property or facilities of any person or entity to ascertain certain purposes are being met or are in compliance with specified requirements. Authorizes the board, if consent is denied for an inspection, to obtain an inspection warrant or, in the event of an emergency affecting public health and safety, to conduct an inspection without consent or a warrant.

Status: Double-referred to the Senate Natural Resources & Water Committee

CCIA position: Pending

HEMP / INTOXICATING HEMP

23. **AB 420 (Aguiar-Curry) Cannabis: industrial hemp.** Sponsored by CCIA, this is a spot bill intended to provide a path to integrate hemp into the cannabis supply chain, including authorization to sell hemp products in licensed cannabis dispensaries. This bill is a follow-up to AB 45 (Aguiar-Curry, 2021) which included a provision requiring the Department of Cannabis Control (DCC) to prepare a report to the governor and the Legislature outlining the steps necessary for the incorporation of hemp products into the cannabis supply chain.

Status: Referred to the Assembly Business & Professions Committee

CCIA position: Sponsor/support

Comments: This bill will incorporate clean-up language to bolster the enforcement provisions contained in the AB 45 framework, which was enacted to regulate manufactured hemp products. Provisions will include amendment to the Health and Safety Code to:

- a. Include specified synthetic intoxicating cannabinoids to the list of banned cannabinoids; and
- b. Clarify that out of state hemp manufacturers must register with the Department of Public Health (DPH) to manufacture and sell industrial hemp products, as defined in AB 45. The

language will strike a safe harbor section that was included in AB 45, so that hemp manufacturers could continue to conduct business in California while the DPH regulations were under development.

The clean-up provisions, as described above, attempt to address findings in an October report issued by CCIA detailing the dangers associated with the growing number of increasingly intoxicating products currently being sold as “hemp” and called for urgent action by the state and federal governments.

The white paper, entitled [“Pandora’s Box: The Dangers of a National, Unregulated, Hemp-Derived Intoxicating Cannabinoid Market.”](#) details how cannabinoid compounds derived from hemp, which include the well-known delta-8 THC and other more potent THC-like substances – are being sold by hemp manufacturers exploiting flaws in the 2018 Farm Bill. These synthetic and derivative cannabinoids are often many times stronger than traditional delta-9 THC.

INSURANCE / RISK MANAGEMENT

24. **[AB 741](#) (Jones-Sawyer) The California FAIR Plan Association: cannabis.** This bill prohibits the California FAIR Plan Association from refusing to issue, canceling, or refusing to renew coverage because the applicant or policyholder possesses or has previously possessed a legal amount of cannabis, concentrated cannabis, or living cannabis plants, or the applicant or policyholder is or has been a commercial cannabis licensee.

Status: Referred to the Assembly Insurance Committee

CCIA position: Support

LICENSING

25. **[AB 351](#) (Chen) Cannabis: license transfers.** Sponsored by the Kiva Brands, Inc., this is a spot bill stating legislative intent to enact legislation that would authorize the Department of Cannabis Control to transfer licenses for commercial cannabis activity from a licensee to another person, subject to the requirements of the MAUCRSA.

Status: Pending referral - It is assumed that this bill will be referred to the Assembly Business & Professions Committee

CCIA Position: Support

PACKAGING

26. **[AB 623](#) (Chen) Cannabis: lawful acts.** This is a spot bill that makes non-substantive changes to provisions in the MAUCRSA pertaining to enforcement.

Status: Pending referral - It is assumed that this bill will be referred to the Assembly Business & Professions Committee

CCIA Position: Support

Comments: Sponsored by the Cannabis Beverage Association, the bill will be amended to address cannabis packaging.

PLANT TAGGING / TRACK AND TRACE

27. **SB 622 (Allen) Cannabis regulation: plant identification program.** Co-sponsored by CannaCraft and March & Ash, this is a spot bill intended to remove the requirement that a plastic plant tag be affixed to the base of each cannabis plant, as currently required as part of the State's track and trace program.

Status: Pending referral

CCIA Position: Support

SOCIAL EQUITY

28. **AB 1565 (Jones-Sawyer) California Cannabis Tax Fund: local equity program grants.** This bill requires, effective July 1, 2028, the Controller to disburse up to \$15,000,000 to the DCC for the 2028–29 fiscal year and every fiscal year thereafter to support local equity programs in eligible local jurisdictions to assist local equity applicants and licensees gaining entry into, and to successfully operate in, the state's regulated cannabis marketplace.

Status: This bill has been referred to the Assembly Business & Professions Committee

CCIA Position: Support

29. **SB 51 (Bradford) Cannabis provisional licenses: local equity applicants.** A CCIA strategic priority, this bill authorizes the DCC, in its sole discretion, to issue a provisional license for a local equity applicant for retailer activities, indefinitely, if the applicant meets specified requirements. The bill further authorizes the DCC, in its sole discretion, to renew a provisional license until it issues or denies the provisional licensee's annual license, subject to specified requirements, or until 5 years from the date the provisional license was issued, whichever is earlier.

Status: Will be heard in the Senate Business, Professions, & Economic Development Committee on March 27, 2023.

CCIA position: Support

TAXATION

30. **SB 512 (Bradford) Taxation: Cannabis Tax Law.** This is a spot bill that makes non-substantive changes to provisions in the MAUCRSA.

Status: Pending referral

CCIA Position: Pending

Comments: While currently a spot bill, it is understood that the author may amend his bill to preempt provisions contained in recent regulations promulgated by the CDTFA. This bill was introduced at the request of UCBA.

TESTING

31. [AB 1610](#) (Jones-Sawyer) **Cannabis: Department of Cannabis Control.** This is a spot that makes non substantive changes to MAUCRSA.

Status: Pending referral

CCIA Position: Pending

Comments: Sponsored by SC Labs, this is intended to address the illegal over-reporting of potency for price markups. Specifically, the bill, as proposed to be amended does the following:

- Requires the DCC to maintain on its website a record of recall orders, including the date, location, licensee name and license number, and whether the recall was voluntary or mandatory.
- Directs the DCC, on or before January 1, 2025, to establish a blind proficiency test method to be utilized by all testing laboratories to ensure consistency of results across laboratories.
- Provides that, on or before January 1, 2025, all testing laboratories will be subject to annual audits by the DCC.
- Requires the DCC, on or before January 1, 2025, to establish quality assurance standards and testing procedures for products available for retail sale to ensure consistency with pre-sale laboratory testing results.

MISCELLANEOUS

32. [AB 1111](#) (Pellerin) **Cannabis: appointees: prohibited activities.** This is a spot bill pertaining to the Cannabis Control Appeals Panel.

Status: Pending referral

CCIA Position: Pending

Non-Cannabis Bills We Are Tracking

DECRIMINALIZATION

[AB 1021](#) (Wicks) **Controlled substances: rescheduling.** This bill deems a physician, pharmacist, or other authorized healing arts licensee who prescribes, furnishes, or dispenses a product composed of cannabidiols, in accordance with federal law, in compliance with state law governing those acts. Takes effect only if changes in federal law regarding controlled substances occur.

Status: Referred to the Assembly Business & Professions Committee

CCIA position: Watch

[SB 58](#) (Wiener) **Controlled substances: decriminalization of certain hallucinogenic substances.**

Current law categorizes certain drugs and other substances as controlled substances and prohibits various actions related to those substances, including their manufacture, transportation, sale, possession, and

ingestion. This bill would make lawful the possession, preparation, obtaining, transfer, as specified, or transportation of, specified quantities of psilocybin, psilocyn, dimethyltryptamine (DMT), ibogaine, and mescaline, for personal use or facilitated or supported use, as defined, by and with persons 21 years of age or older. The bill provides penalties for possession of these substance on school grounds, or possession by, or transferring to, persons under 21 years of age.

Status: Referred to the Senate Public Safety Committee

CCIA position: Watch

ENVIRONMENTAL PROTECTION

SB 389 (Allen) State Water Resources Control Board: determination of water right. Current law provides that it is the intent of the Legislature that the State takes vigorous action to enforce the terms and conditions of permits, licenses, certifications, and registrations to appropriate water, to enforce state board orders and decisions, and to prevent the unlawful diversion of water. This bill authorizes the State Water Resources Control Board to investigate the diversion and use of water from a stream system to determine whether the diversion and use are based upon appropriation, riparian right, or other basis of right, as specified.

Status: Referred to the Senate Natural Resources & Water Committee

CCIA position: Watch

LABOR RELATIONS / WORKER PROTECTIONS

AB 1528 (Gipson) Employee housing. This is a spot bill that makes non substantive changes to provisions in statute pertaining to the Employee Housing Act, specifically a section that requires the Department of Housing and Community Development to maintain a file of complaints and other significant information in relation to the maintenance and operation of employee housing and requires the information to be available to local agencies, district attorneys, and the Attorney General.

Status: Pending referral

CCIA Position: Watch

SB 335 (Cortese) Labor statistics: annual report. Current law requires the Department of Industrial Relations to complete and publish an annual report containing statistics on state work injuries and occupational diseases and fatalities by industry classifications by December 31 of the following calendar year and requires all the reports and statistics to be available to the public. This bill specifies that the reports and statistics described above are required to be available to the public in a manner determined by the department.

Status: Pending referral

CCIA Position: Watch

PRODUCT PACKAGING

AB 1290 (Luz Rivas) Product safety: plastic packaging: substances. This bill prohibits, beginning January 1, 2026, a person from manufacturing, selling, offering for sale, or distributing in the state, (1) opaque or pigmented polyethylene terephthalate plastic bottles, and (2) plastic packaging that contains certain chemicals, pigments, or additives, as specified.

Status: Referred to the Assembly Natural Resources Committee

CCIA Position: Watch

PUBLIC SAFETY

AB 335 (Alanis-R: Proposition 47: repeal). Proposition 47 was a voter-approved initiative on the November 2014 ballot that reduced from felonies to misdemeanors specified low-level drug and property crimes. This bill repeals the changes and additions made by Proposition 47, except those related to reducing the penalty for possession of concentrated cannabis. This bill provides that it would become effective only upon approval of the voters and would provide for the submission of this measure to the voters for approval at the next statewide general election.

Status: Passed the Assembly Public Safety Committee 8-0. Referred to the Assembly Appropriations Committee

CCIA Position: Watch

TAXATION

AB 491 (Wallis) Sales and use taxes: public hearings. The Sales and Use Tax Law, administered and enforced by the CDTFA, requires the department to perform annually a systematic identification of areas of recurrent taxpayer noncompliance and to report these findings in its specified annual report to the Governor. Current law requires the department, to prepare the report, to conduct an annual hearing where taxpayers are allowed to present their proposals on changes to the Sales and Use Tax Law. This bill would require the department to ensure participation in the annual hearing may be virtual or remote.

Status: Referred to the Assembly Revenue & Taxation Committee

CCIA Position: Watch

AB 1397 (Low) Taxation: penalties. This is a spot bill that states legislative intent to enact legislation relating to the review and revision of the Revenue and Taxation Code to ensure penalties are commensurate to the violation or violations of that code.

Status: Pending referral

CCIA Position: Watch

TRADEMARKS

AB 1281 (Essayli) Business rights: trademarks: violations. This is a spot bill that makes non-substantive changes to the Model State Trademark Law.

Status: Pending referral

CCIA Position: Watch

YOUTH ACCESS & CONSUMPTION OF CONTROLLED SUBSTANCES

AB 599 (Ward) Suspensions and expulsions: controlled substances: tobacco. Commencing July 1, 2025, removes the unlawful possession, use, or under the influence of a controlled substance, alcoholic beverage, tobacco product, or intoxicant of any kind from the list of acts, which constitutes grounds for suspension or expulsion from a public school, including a charter school (all grades inclusive), solely based on those acts. Requires the Department of Education on or before July 1, 2025, in collaboration with relevant stakeholders, to develop and make available a model policy for a public health approach to addressing pupil possession and use of illicit drugs on school property. Further requires local education agencies, on or before July 1, 2025, to adopt a plan to address drug use among youth, that includes, but is not limited to information on where on campus a student can access education, treatment, or support of substance abuse.

Status: Referred to the Assembly Education Committee

CCIA Position: Watch